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102D CONGRESS
1st Session

COMMITTEE PRINT

WMCP:
102-11

COMMITTEE ON WAYS AND MEANS
U.S. HOUSE OF REPRESENTATIVES

OVERSIGHT INITIATIVE REPORT

FROM THE

SUBCOMMITTEE ON OVERSIGHT

PAYMENT OF FEDERAL BENEFITS TO DECEASED INDIVIDUALS

INCLUDING FINDINGS AND RECOMMENDATIONS OF THE SUBCOMMITTEE

Report No. 1

MAY 9, 1991

Prepared for the use of the Committee on Ways and Means by its staff

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U.S. GOVERNMENT PRINTING OFFICE

42-955 ⇆ WASHINGTON : 1991

For sale by the Superintendent of Documents, Congressional Sales Office
U.S. Government Printing Office, Washington, DC 20402

H782-19

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LETTER OF TRANSMITTAL

COMMITTEE ON WAYS AND MEANS,
SUBCOMMITTEE ON OVERSIGHT,
Washington, D.C., May 9, 1991.

The Honorable DAN ROSTENKOWSKI,
Chairman, Committee on Ways and Means,
U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: We are submitting to the Committee on Ways and Means the report of the Subcommittee on Oversight on payment of Federal benefits to deceased individuals. This report was approved by the Subcommittee on a bipartisan basis today and is the result of the Subcommittee's investigation and hearing on the subject. We respectfully request that the Committee on Ways and Means review the Subcommittee's report and take action on the Subcommittee's recommendations in a timely manner. The attached report provides a brief background on the issue reviewed, the scope of the Subcommittee's investigation and hearing, and the Subcommittee's findings and recommendations for administrative and legislative change.

In 1983, the Committee on Ways and Means determined that there were no well-developed procedures or arrangements to permit the Social Security Administration to determine on a timely basis if a beneficiary had died and, thus, terminate benefit payments. Therefore, as part of the Social Security Amendments of 1983, the Secretary of Health and Human Services was authorized to gather and disseminate death information. In 1988, Members of the Committee became increasingly concerned by anecdotal reports that Federal benefit checks were continuing to be issued to deceased individuals. In order to determine the extent of this problem, the General Accounting Office was asked to conduct a study of the problem and to report on its findings and recommendations for improvement. Following the completion of this analysis, the Subcommittee on Oversight held a hearing on this subject on February 6, 1991.

The Subcommittee found that Federal agencies are currently paying millions of dollars each month to thousands of deceased individuals. These erroneous payments are being made by a wide variety of agencies and to persons who have been deceased for as long as seven years. While current law permits the Social Security Administration to gather death information, and this information can be easily and effectively used to prevent erroneous payments government-wide, the Subcommittee found that this information is not being effectively utilized. The primary cause of this situation is a lack of any requirement that death information be used by other Federal agencies in a timely manner, and the inability of the

Social Security Administration to disseminate death information it has purchased from State vital statistics agencies.

To ensure that the payment of Federal benefits to deceased beneficiaries is minimized, the Subcommittee on Oversight recommends that:

First, the Federal agencies be required to: acquire death information from the Social Security Administration on a quarterly basis; match death information with their agency's benefit rolls; verify the Social Security Administration's death information which indicates possible beneficiary deaths; promptly terminate benefits for deceased individuals; initiate efforts to recover overpayments; and, share with the Social Security Administration death information in the agencies' records;

Second, the Social Security Administration be enabled to share with all Federal agencies death certificate information purchased from State agencies;

Third, the Department of the Treasury improve its methods of "pulling" checks and "cancelling" electronic funds transfers to deceased beneficiaries;

Fourth, the Social Security Administration modify its current Social Security number verification systems to routinely provide death information to the States; and

Fifth, the Social Security Administration conduct a study of ways in which death information can be gathered and reported more quickly.

The Subcommittee believes that the adoption of these recommendations is essential to the reduction of the currently excessive level of erroneous payments made by Federal agencies to deceased individuals.

Sincerely,

RICHARD T. SCHULZE,
Ranking Minority Member.

J. J. PICKLE,
Chairman.

Attachment

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REPORT OF THE SUBCOMMITTEE ON OVERSIGHT ON PAYMENT OF FEDERAL BENEFITS TO DECEASED INDIVIDUALS

BACKGROUND

Beginning in the fall of 1988, the Subcommittee on Oversight of the Committee on Ways and Means became concerned about various issues related to government payments to individuals, including the possibility that Federal benefit payments were being made to deceased beneficiaries. The initial concern of the Subcommittee was that some Federal agencies might be making erroneous benefit payments to deceased beneficiaries because the agencies lacked complete and current death information.

The possibility that these erroneous benefit payments were being made was of particular interest to the Subcommittee in light of the obvious potential savings to the Federal Government from avoiding the initial erroneous payments, and the less apparent, but still significant, potential savings to government, businesses, and individuals from avoiding costly follow-up collection procedures associated with recovering erroneous payments. This issue was also of interest to the Subcommittee because it had been the subject of prior legislation initiated by the Committee.

In 1981, the Subcommittee on Social Security expressed concern about the payment of Social Security benefits to deceased beneficiaries. The Honorable Willis D. Gradison, Jr., on December 11, 1981, introduced H.R. 5188, to provide for a program to systematically compare information on State death certificates with information maintained under the Social Security program in order to ensure that Social Security benefits were not paid to individuals who had died.

Following the introduction of this legislation, the General Accounting Office (GAO) undertook a study of the potential benefits of such a death information matching program. The GAO used information from death certificates from the Philadelphia area, and found that dead people were on the benefit rolls of nine different Federal benefit programs, including veterans programs and civil service retirement pensions. In addition, the Social Security Administration (SSA) estimated that on a nationwide basis it might have paid as much as $800 million in benefits to dead people in prior years.

Based on these findings, Mr. Gradison, on January 25, 1983, again introduced legislation, H.R. 810, in response to ongoing concerns about the government-wide payment of Federal benefits to individuals who had died. After favorable consideration by the Subcommittee on Social Security, the provisions of H.R. 810 were adopted by the Committee on Ways and Means, on March 4, 1983, as part of H.R. 1900, the Social Security Amendments of 1983. With

only minor modification, reflecting comments by the SSA and the GAO, these provisions were enacted into law on April 20, 1983, as part of P.L. 98–21 (See Attachment #1).

In enacting this legislation, the Congress intended to improve the administration of the Social Security program by providing statutory authorization for the Secretary of the Department of Health and Human Services (HHS) to establish a program under which States voluntarily contract to periodically furnish death certificate information to the Secretary. The Secretary was also required to compare such information with information on individuals in the records being used to administer the Social Security Act, to validate the results of such comparisons, and to correct the records so as to accurately reflect the status of such individuals.

In addition, the Congress also intended that this new section of the law provide for the improved administration of other benefit programs, by facilitating broad government use of death information. It is for this reason that the statute authorizes the Secretary of HHS, to the extent feasible, to share this death information with other Federal and State agencies administering Federally- or State-funded benefit programs, and to be reimbursed for the cost of such information sharing. In order to further facilitate this cooperative sharing of death information, the Secretary is authorized to impose such safeguards as are necessary to protect the information from unauthorized use or disclosure, and the information supplied by the States is specifically exempted from disclosure under the Freedom of Information Act. Thus, while the concern, in 1983, was principally with the payment of Social Security benefits to deceased individuals, the provisions of the statute clearly reflect its intended broader application to all Federal and State benefit programs.

Subcommittee Investigation and Hearing

By the fall of 1988, it was apparent to the Subcommittee on Oversight that there were continuing problems with the payment of Federal benefits to deceased individuals. Subcommittee Chairman J. J. Pickle and the Honorable William M. Thomas, on January 24, 1989, requested that GAO examine and report on the payment of benefits to deceased individuals, how Federal agencies gathered information on beneficiary deaths, how they used and shared the death information they did possess, and how the current system for gathering and sharing such death information could be improved.

To answer these questions, the GAO surveyed the procedures used by various Federal agencies to gather and use death information. In addition, the GAO matched the death information gathered by the SSA with payment records for the Department of Labor (DOL), the Department of Defense (DOD), the Office of Personnel Management (OPM), and the Railroad Retirement Board (RRB). The GAO also conducted separate analyses of benefit payments to deceased beneficiaries by the Department of Veterans Affairs (VA), in administering Federally-funded veterans' programs, and by the States of Maryland, Pennsylvania, and the District of Columbia, as part of their administration of Federal and State welfare programs.

On February 6, 1991, the Subcommittee held a hearing to examine the extent and causes of the continued payment of Federal benefits to deceased beneficiaries. The Subcommittee received testimony from the GAO, SSA, OPM, DOL, RRB, DOD, VA, and the Association for Vital Records and Health Statistics. The Subcommittee's hearing addressed six main issues: the extent to which Federal agencies make erroneous payments to deceased individuals; the use, or lack thereof, of death information by other Federal agencies; the potential advantages of using the SSA death information; State-imposed limitations on the use of certain death certificate information in the SSA's death information files; potential improvements in the quality of death information in the SSA's files; and, potential improvements in disseminating the SSA death information to the States.

According to the GAO, Federal and State agencies erroneously pay millions of dollars each month to the accounts of deceased beneficiaries. For example, in September 1989, 20 Federal benefit programs made more than $4.3 million in potentially erroneous payments to the accounts of 5,935 beneficiaries who were listed as deceased in the SSA's records (See Attachment #2). Some of these deceased individuals were listed as having been dead for more than six years. In April 1989, the VA paid $475,000 in potentially erroneous benefits to 1,212 beneficiaries who were listed in the SSA's records as having been deceased for at least four months. For the period January 1986 to December 1989, the GAO identified 2,950 cases in Maryland, Pennsylvania, and the District of Columbia, where State payment files showed that Aid to Families with Dependent Children, Food Stamp, and/or State general assistance benefits were paid for at least two months after the beneficiary had died according to the SSA's records.

In each of these areas, the GAO selected a sample of the cases identified and asked that the agencies involved follow up and report on the status of the beneficiaries involved. In each area, the SSA death information files correctly identified, in a majority of the cases selected, beneficiaries who were either confirmed deceased or whose status could not be determined. For example, using the SSA's data, the GAO referred 156 cases to the DOL, RRB, OPM, and DOD for agency review (See Attachment #3). The four agencies identified 121 cases that should have been terminated, involving total overpayments in excess of $2.4 million. These overpayments had occurred over periods ranging from one month to more than six years. In 73 percent of the cases, the erroneous payments exceeded $10,000 per account (See Attachment #4).

Despite the enactment of legislation in 1983 intended to remedy this situation, Federal agencies continue to rely on voluntary reporting to their individual programs as the primary means of identifying beneficiaries' deaths. Only three agencies outside HHS, the DOD, VA and RRB, obtain the SSA's file of voluntarily reported death information. (Even in these cases the agencies could make more effective use of the information by obtaining it more frequently and utilizing the information more promptly.) Federal agencies are not making more aggressive use of the SSA death information because only a small percentage of the overall benefits they pay are erroneously paid to deceased beneficiaries. This has

led some agencies to conclude that their current efforts are either acceptably successful, or that they can become so with minor modification. This attitude costs taxpayers between $100–$250 million each year—wasted Federal money—and undercuts agency initiative to adopt new methods to gather and report death information on a government-wide basis.

Agencies that have begun to use the SSA's death information files have found them to be generally accurate and cost effective. While the SSA confirms death information only in those cases necessary for the administration of programs authorized under the Social Security Act, estimates as to the accuracy of its death information file range between 80 and 90 percent. (It is for this reason that other agencies need to independently verify the beneficiary's status, and not rely solely on the accuracy of the SSA's death file.) The cost to other agencies for obtaining this file are nominal and, where the SSA's death information is being used, it has been found to be cost effective, even after accounting for the costs associated with confirming the individual's status. For example, OPM has reported that it saved $440.00 for every $1.00 spent to perform death matches during the period from May through September 1990. Based on these experiences, those agencies currently using the SSA data have been willing to make increased use of the information and support enhancements to the database.

The SSA's death information data base is composed of information gathered from a variety of sources. Approximately 90 percent of the SSA's death information is the result of voluntary reporting by the deceased's relatives, friends, or the funeral home involved. Postal authorities account for an additional four percent, and nursing home reporting accounts for another one percent. The remaining five percent comes from specialized death matching operations, including reports from the Health Care Financing Administration, the State Bureaus of Vital Statistics, and other State agencies that administer welfare benefit programs. The SSA pays the States $.21 per death certificate, for a total of about $500,000 annually for this information. These specialized matching operations have been quite cost effective, identifying over $200 million in erroneous payments each year.

The selling of death certificate information by the States to the SSA for its specialized matching program is voluntary. While all the States currently participate, 34 State or local jurisdictions have chosen to restrict the redisclosure of any information they provide the SSA (See Attachment #5). As a result of these State-imposed restrictions, and the SSA's concern that other Federal agencies might improperly use this information, no Federal agency is currently receiving any of the death certificate information the SSA purchases through contracts with the States. Because the SSA was not willing or able to provide this information to other agencies, few, if any, agencies were aware that any additional death information was potentially available. (The VA recently initiated efforts to obtain this information. These efforts have been vigorously resisted by a number of the States who put redisclosure restrictions in their contracts with the SSA (See Attachment #6).)

Based on State death certificate information, the SSA has been able to collect about $40 million in overpayments that it might not

otherwise recover, and is able to avoid undetermined but significant amounts of additional erroneous payments. There would be no additional cost to the States if the SSA were to share this information with other Federal agencies. In fiscal year 1990, excluding the Social Security programs, about 100 Federal programs made approximately $312 billion in benefit payments (in comparison to the $240 billion paid by the SSA). It is reasonable to expect that other Federal programs would realize similar aggregate savings if they were allowed to use, and actually used, State death certificate information.

It is precisely because the SSA has found the current system of purchasing State death information to be beneficial to the administration of its own programs, that it is concerned about taking any action that would jeopardize this cooperative effort with the States. Further, the SSA has recognized that there is significant potential for improving the quality and timeliness of the State death certificate information, and that such improvements will require the active support and participation of the States. The main area of improvement lies in reducing the time lag between the date of the individual's death, and the date it is reported to the SSA. Currently this process can take several months. Every day that this time lag is shortened reduces the chance that an erroneous benefit is paid, and increases the likelihood that past erroneous benefits will be recovered. If the time lag could be shortened from the present weeks or months, to a period of only a few days, then the specialized State death certificate matching program could begin to reduce the SSA's current heavy reliance on voluntary reporting by family and friends. At the very least, it would allow the SSA to seek recovery of erroneous overpayments on a much more timely basis, and in much smaller amounts. Of course, to the extent that this information could be shared with other Federal and State agencies, these same benefits could flow through to other benefit programs.

Although the SSA is permitted to share death information with certain State agencies responsible for administering State- and Federally-funded benefit programs, the SSA does not do so as quickly and efficiently as it could. At this time, no States are obtaining this information for use in administering State-funded benefit programs. In accordance with the Deficit Reduction Act of 1984, States are required to submit the Social Security number (SSN) of welfare applicants and recipients to the SSA for verification. The SSA uses its Enumeration Verification System (EVS) to compare the SSN and key data for each welfare beneficiary or applicant with information contained in the SSA's Social Security Number Identification (NUMIDENT) file for the respective SSN. If there is any discrepancy, it is reported to the State for resolution. The SSA currently maintains its death information as part of the NUMIDENT file, but that information is not made available in connection with EVS, which is used by the States. At a very modest cost, the SSA could include death information as part of the current EVS, or any successor system developed by the SSA, for comparing data with the States. In addition, if the SSA were to be able to include State-supplied death certificate information as part of EVS, the States would be able, for the first time, to benefit from their own collective body of death information, at no cost to themselves.

FINDINGS AND RECOMMENDATIONS

Pursuant to the Subcommittee's February 6, 1991 hearing, the Subcommittee worked with the Subcommittee on Social Security, the Office of Management and Budget (OMB), the Department of the Treasury (Treasury), and the SSA for the purpose of developing recommendations for improving the present system for gathering, disseminating and using death information. A consensus was reached that improvements in gathering, disseminating, and using death information were both desirable and achievable. Further, it was agreed that such improvements might best be achieved with a combination of administrative and legislative reforms. Finally, it was agreed that such reforms should be developed expeditiously and implemented, as soon as possible in 1991. OMB agreed that specific administrative and legislative reforms would be developed by May 31, 1991.

Subcommittee Findings

First, several Federal agencies, in the course of administering benefit programs, are making substantial erroneous benefit payments to deceased beneficiaries. These erroneous payments are being made in spite of the fact that the SSA already has gathered substantial amounts of death information which, if properly used, could lead to significant reductions in the volume of erroneous payments.

Second, although the vast majority of the death information gathered by the SSA is readily available to all Federal agencies administering benefits programs, the SSA currently provides voluntarily reported death information to only three agencies, which administer only 18 of the estimated 100 benefit programs that could effectively utilize this information. There are no legislative or administrative barriers preventing Federal agencies from fully utilizing death information which has been voluntarily reported to the SSA.

Third, a combination of administrative and contractual barriers currently prevent other Federal agencies from obtaining State death certificate information which has already been purchased by the SSA. Because the SSA can, under current law, only seek voluntary participation by State and local jurisdictions, contractual restrictions have been imposed by 34 State and local jurisdictions, which prevent the SSA from sharing this information with other Federal agencies. Furthermore, the SSA's concerns about the possibility that other Federal agencies might not use State death certificate information in accordance with State imposed contract restrictions has caused the SSA to refuse to share any State information with other Federal agencies. As a result, the SSA currently does not provide any Federal agency with State-generated death certificate information, even in those instances where the State has not prohibited the redisclosure of the information.

Fourth, the SSA is not currently disseminating death information to the States in as efficient a manner as possible. This lack of timely sharing of death information by the SSA with the States results in unnecessary erroneous overpayments by various agencies charged with administering certain welfare programs.

Fifth, the death certificate information purchased by the SSA from State and local governments is often significantly out of date. This delay, from the time of a beneficiary's death until the time that it is reported to the SSA, can result in substantially higher erroneous Federal benefit payments. These erroneous payments could be avoided if a means of more rapid death certificate reporting would be instituted.

Subcommittee Recommendations

First, we recommend that by May 31, 1991, the Director of OMB be asked to provide to the Committee a plan which has been agreed to by the affected Federal agencies, which would ensure that: agencies receive, as frequently as appropriate, information from the SSA's voluntarily-reported death information files and, if and when available, the SSA-purchased death certificate information; agencies promptly match this information with their current benefit files; agencies independently verify the SSA-supplied information which indicates possible beneficiary deaths; agencies promptly terminate benefits for deceased beneficiaries and initiate efforts to recover any erroneous payments; and, agencies be required to share with the SSA their own death information files. In the absence of such a plan, we recommend that by June 14, 1991, or as soon as possible thereafter, the Committee consider legislation mandating that: the SSA provide death information to each Federal benefit-paying agency on a quarterly basis; the SSA be compensated by each Federal agency for the costs associated with the distribution of death information; and, Federal agencies be required to conduct a match of the SSA-supplied death information, and report the results of such a match to the Secretary of Treasury within thirty days of the agency's receipt of the SSA death information.

Second, we recommend that by May 31, 1991, the Director of OMB provide to the Committee a plan which will require and allow the SSA to be able to modify its contract with all State and local jurisdictions, so as to provide the SSA the right to redisclose death certificate information to all other Federal and State agencies administering benefit programs. In the absence of such a plan, we recommend that by June 14, 1991, or as soon as possible thereafter, the Committee consider legislation requiring State and local jurisdictions to allow the SSA to share, at no additional charge to the Federal Government, death certificate information with all other Federal agencies. Such legislation could condition continued Federal permission for States to use Social Security numbers on drivers licenses, motor vehicle registrations, and voter registration applications, on the States' agreement that the SSA could redisclose death certificate information to other Federal agencies.

Third, we recommend that by May 31, 1991, the Director of OMB provide to the Committee a plan which will require Treasury to improve its methods of "pulling" checks and "cancelling" electronic funds transfers to deceased beneficiaries.

Fourth, we recommend that the SSA, on an expedited basis, modify its current Social Security number verification systems to routinely provide death information to States for their use in processing welfare benefit claims and payments.

Fifth, we recommend that the SSA conduct a study of ways in which death information can be gathered and reported more quickly. Such a study should include: a report on the time lag currently encountered in receiving death certificate information; an analysis as to the causes of this delay; various options for improving Federal, State and local agency cooperation in reducing this delay; and, an evaluation of the costs and benefits associated with these options.

ATTACHMENT #1

USE OF DEATH CERTIFICATES TO PREVENT ERRONEOUS BENEFIT PAYMENTS TO DECEASED INDIVIDUALS

SEC. 336. Section 205 of the Social Security Act is amended by adding at the end thereof the following new subsection: 42 USC 405.

"USE OF DEATH CERTIFICATES TO CORRECT PROGRAM INFORMATION

"(r)(1) The Secretary shall undertake to establish a program under which—

"(A) States (or political subdivisions thereof) voluntarily contract with the Secretary to furnish the Secretary periodically with information (in a form established by the Secretary in consultation with the States) concerning individuals with respect to whom death certificates (or equivalent documents maintained by the States or subdivisions) have been officially filed with them; and

"(B) there will be (i) a comparison of such information on such individuals with information on such individuals in the records being used in the administration of this Act, (ii) validation of the results of such comparisons, and (iii) corrections in such records to accurately reflect the status of such individuals.

"(2) Each State (or political subdivision thereof) which furnishes the Secretary with information on records of deaths in the State or subdivision under this subsection may be paid by the Secretary from amounts available for administration of this Act the reasonable costs (established by the Secretary in consultations with the States) for transcribing and transmitting such information to the Secretary.

"(3) In the case of individuals with respect to whom federally funded benefits are provided by (or through) a Federal or State agency other than under this Act, the Secretary shall to the extent feasible provide such information through a cooperative arrangement with such agency, for ensuring proper payment of those benefits with respect to such individuals if— Cooperative arrangements with State or Federal agencies.

"(A) under such arrangement the agency provides reimbursement to the Secretary for the reasonable cost of carrying out such arrangement, and

"(B) such arrangement does not conflict with the duties of the Secretary under paragraph (1).

"(4) The Secretary may enter into similar agreements with States to provide information for their use in programs wholly funded by the States if the requirements of (r)(3)(A) and (r)(3)(B) are met.

"(5) The Secretary may use or provide for the use of such records as may be corrected under this section, subject to such safeguards as the Secretary determines are necessary or appropriate to protect the information from unauthorized use or disclosure, for statistical and research activities conducted by Federal and State agencies. Information protection.

"(6) Information furnished to the Secretary under this subsection may not be used for any purpose other than the purpose described in this subsection and is exempt from disclosure under section 552 of title 5, United States Code, and from the requirements of section 552a of such title. Information disclosure, exemption.

"(7) The Secretary shall include information on the status of the program established under this section and impediments to the effective implementation of the program in the 1984 report required under section 704 of the Act.". 42 USC 904.

ATTACHMENT #2

Agency Records Indicate Active Payments While SSA Records Indicate Death

Table 1: Agency Records Indicate Active Payments While SSA Records Indicate Death

Agency	SSA voluntarily reported death information	Monthly erroneous payments	Source of death information: State death certificate information — Unrestricted	Monthly erroneous payments	Restricted	Monthly erroneous payments	Total state	Monthly erroneous payments	Total SSA death data	Total monthly erroneous payments
Labor	39	$16,066	1	$359	0	$0	1	$359	40	$16,425
Black lung	70	94,302	2	1,960	11	14,961	13	16,920	83	111,222
FECA[a]	109	110,367	3	2,319	11	14,961	14	17,279	123	127,647
Subtotal—Labor	141	55,330	14	9,747	23	16,985	37	26,733	178	82,063
RRB	1,545	1,180,629	80	61,129	97	86,645	177	147,774	1,722	1,328,403
OPM	3,513	2,485,873	195	140,415	204	138,553	399	278,968	3,912	2,764,841
DOD	5,199	3,721,832	289	211,291	324	242,183	613	453,475	5,812	4,175,307
Subtotal— RRB, OPM, and DOD	5,398	$3,832,200	292	$213,610	335	$257,144	627	$470,754	5,935	$4,302,954
Total										

[a]Federal Employees' Compensation Act

SOURCE: GAO: Report to the Subcommittee on Oversight, Federal Benefit Payments: Agencies Need Death Information From Social Security to Avoid Erroneous Payments, GAO/HRD-91-3, February 1991

ATTACHMENT #3

PRO FORMA SCHEDULE

ERRONEOUS BENEFIT PAYMENTS

TO DECEASED BENEFICIARY ACCOUNTS

GAO CASE NUMBER	GAO-2
FEDERAL PROGRAM AGENCY	DEPARTMENT OF LABOR
PROGRAM NAME	BLACK LUNG
BENEFICIARY DATE OF BIRTH (DOB)	11/28/08
BENEFICIARY DATE OF DEATH (DOD)	01/18/87
MONTHLY BENEFIT PAYMENT	$538.40
DATE BENEFITS SUSPENDED/TERMINATED	05/30/90
NUMBER OF ERRONEOUS BENEFIT PAYMENTS	41
TOTAL ERRONEOUS OVERPAYMENT AMOUNT	$20,982.00

LAST KNOWN ADDRESS

CITY BELOIT

STATE WI

ZIPCODE 53511

PRO FORMA SCHEDULE

ERRONEOUS BENEFIT PAYMENTS

TO DECEASED BENEFICIARY ACCOUNTS

GAO CASE NUMBER	GAO-48
FEDERAL PROGRAM AGENCY	OFFICE OF PERSONNEL MANAGEMENT (OPM)
PROGRAM NAME	CIVIL SERVICE RETIREMENT
BENEFICIARY DATE OF BIRTH (DOB)	05/10/10
BENEFICIARY DATE OF DEATH (DOD)	04/01/84
MONTHLY BENEFIT PAYMENT	$219.00
DATE BENEFITS SUSPENDED/TERMINATED	08/16/90
NUMBER OF ERRONEOUS BENEFIT PAYMENTS	76
TOTAL ERRONEOUS OVERPAYMENT AMOUNT	$15,812.00

LAST KNOWN ADDRESS

CITY	PENSACOLA
STATE	FL
ZIPCODE	32503

PRO FORMA SCHEDULE

ERRONEOUS BENEFIT PAYMENTS

TO DECEASED BENEFICIARY ACCOUNTS

GAO CASE NUMBER	GAO-67
FEDERAL PROGRAM AGENCY	OFFICE OF PERSONNEL MANAGEMENT (OPM)
PROGRAM NAME	CIVIL SERVICE RETIREMENT
BENEFICIARY DATE OF BIRTH (DOB)	11/15/06
BENEFICIARY DATE OF DEATH (DOD)	11/01/85
MONTHLY BENEFIT PAYMENT	$2,304.00
DATE BENEFITS SUSPENDED/TERMINATED	10/03/90
NUMBER OF ERRONEOUS BENEFIT PAYMENTS	59
TOTAL ERRONEOUS OVERPAYMENT AMOUNT	$122,333.56

LAST KNOWN ADDRESS

CITY	FT. WASHINGTON
STATE	MD
ZIPCODE	20744

PRO FORMA SCHEDULE

ERRONEOUS BENEFIT PAYMENTS

TO DECEASED BENEFICIARY ACCOUNTS

GAO CASE NUMBER	GAO-86
FEDERAL PROGRAM AGENCY	RAILROAD RETIREMENT BOARD (RRB)
PROGRAM NAME	RAILROAD RETIREMENT
BENEFICIARY DATE OF BIRTH (DOB)	
BENEFICIARY DATE OF DEATH (DOD)	02/01/84
MONTHLY BENEFIT PAYMENT	$570.89
DATE BENEFITS SUSPENDED/TERMINATED	05/17/90
NUMBER OF ERRONEOUS BENEFIT PAYMENTS	76
TOTAL ERRONEOUS OVERPAYMENT AMOUNT	$46,840.42

LAST KNOWN ADDRESS

CITY	WEST HAVEN
STATE	CT
ZIPCODE	06516

PRO FORMA SCHEDULE

ERRONEOUS BENEFIT PAYMENTS

TO DECEASED BENEFICIARY ACCOUNTS

GAO CASE NUMBER	GAO-98
FEDERAL PROGRAM AGENCY	DEPARTMENT OF DEFENSE (DOD)
PROGRAM NAME	MILITARY RETIREMENT
BENEFICIARY DATE OF BIRTH (DOB)	05/19/24
BENEFICIARY DATE OF DEATH (DOD)	11/01/84
MONTHLY BENEFIT PAYMENT	$899.00
DATE BENEFITS SUSPENDED/TERMINATED	09/15/88
NUMBER OF ERRONEOUS BENEFIT PAYMENTS	46
TOTAL ERRONEOUS OVERPAYMENT AMOUNT	$41,354.00

LAST KNOWN ADDRESS

CITY	ANCHORAGE
STATE	AK
ZIPCODE	99507

ATTACHMENT #4

Cases of Erroneous Payments to Deceased Beneficiaries' Accounts

Agency	Cases		Erroneous payments	
	Terminated	With erroneous payments[a]	Identified[b]	Recovered[c]
Labor:				
Black lung	7	7	$50,600.20	$9,030.00
FECA	7	3	42,616.33	10,755.12
OPM	70	70	1,825,107.33	15,667.60
RRB	16	15	216,952.33	906.48
DOD	30	26	309,454.23	52,585.16
Total	**130**	**121**	**$2,444,730.42**	**$88,944.36**

[a]Refers to any payment made after the beneficiary's recorded date of death.

[b]Refers to all payments made after the beneficiary's recorded date of death.

[c]Refers to the benefits recovered by the agency/program through normal collection procedures as of December 5, 1990.

Time Lag Between Beneficiary's Recorded Death and Payments Ended

Agency	Months between date of death and date of suspension/termination								
	Total	1-3	4-12	13-24	25-36	37-48	49-60	61-72	72+
Labor:									
Black lung	**7**	1	4	2	0	0	0	0	0
FECA	**7**	4	2	1	0	0	0	0	0
OPM	**70**	0	2	22	16	12	12	3	3
RRB	**16**	2	3	8	2	0	0	0	1
DOD	**30**	15	6	3	3	3	0	0	0
Total	**130**	**22**	**17**	**36**	**21**	**15**	**12**	**3**	**4**

Range for Amounts of Erroneous Payments to Deceased Beneficiaries

Agency	Cases of erroneous payments[a]	Payment amounts (thousands)									
		Less than $10	$10-$20	$20-$30	$30-$40	$40-$50	$50-$60	$60-$70	$70-$80	$80-$90	$90+
Labor:											
Black lung	7	6	0	1	0	0	0	0	0	0	0
FECA	3	2	0	1	0	0	0	0	0	0	0
OPM	70	20	18	10	7	7	1	1	0	4	2
RRB	15	5	8	0	1	1	0	0	0	0	0
DOD	26	15	3	4	3	1	0	0	0	0	0
Total	121	48	29	16	11	9	1	1	0	4	2

[a]Refers to any payment made after the beneficiary's recorded date of death.

SOURCE: GAO: Report to the Subcommittee on Oversight, Federal Benefit Payments: Agencies Need Death Information From Social Security to Avoid Erroneous Payments, GAO/HRD-91-3, February 1991

ATTACHMENT #5

Status of Redisclosure Clauses in SSA Contracts with the States

STATES PROVIDING DEATH CERTIFICATE
DATA TO SSA UNDER RESTRICTIVE AGREEMENTS

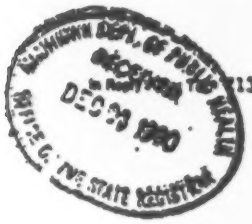
1. Alabama
2. Alaska
3. Arkansas
4. Colorado
5. District of Columbia
6. Georgia
7. Hawaii
8. Idaho
9. Illinois
10. Kansas
11. Louisiana
12. Massachusetts
13. Michigan
14. Mississippi
15. Missouri
16. Montana
17. Nebraska
18. New Hampshire
19. New Jersey
20. New York
21. New York City
22. North Carolina
23. Ohio
24. Oklahoma
25. Oregon
26. Pennsylvania
27. Rhode Island
28. South Carolina
29. South Dakota
30. Tennessee
31. Texas
32. Utah
33. Virginia
34. Wyoming

ATTACHMENT #6

Benefits Director

Department of Veterans Affairs

NOV 30 1990



Mr. George Van Amburg
State Registrar
Michigan Department
of Public Health
Post Office Box 30195
Lansing, Michigan 48909

Dear Mr. Van Amburg:

The U.S. Department of Veterans Affairs (VA) is currently negotiating a computer matching agreement with the Social Security Administration (SSA) to secure death information, including death certificates that SSA receives from state and local governments.

The United States General Accounting Office (GAO) recently conducted a review using SSA death information to identify deceased VA beneficiaries. The GAO found that VA is making substantial payments on behalf of deceased beneficiaries because VA relies primarily on voluntary reporting of death by relatives and others. The GAO concluded that SSA information could identify potentially erroneous payments to deceased beneficiaries, and as a result made a recommendation that VA complete arrangements to obtain access to the SSA death file and unrestricted death certificate file. The GAO indicates that the use of the SSA information will result in savings of several million dollar per year.

In addition to the information that the GAO used in its study, SSA indicates that your agency currently provides death certificates to SSA. According to SSA, you do not allow redisclosure of the death certificates or the information contained on the death certificate without your agency's permission.

As you probably know, our department currently provides services to various state agencies at no cost to the state. Access to the information provided by your agency to SSA is necessary to avoid erroneous payments to deceased individuals. Since these erroneous payments affect all taxpayers, we request your permission to secure this information from SSA at no charge to our department. The information contained in the material supplied to SSA will be treated with the utmost care and we will abide by the restrictions your agreement with SSA entails.

2.

Mr. Van Amburg

Mr. Ted Spindle, Assistant Director for Adjudication Procedures in the Compensation and Pension Service, is the point of contact for this project. If you wish to discuss any aspect of our proposal, you may contact Mr. Spindle at (202) 233-2703.

Sincerely yours,

D'Wayne Gray

D'Wayne Gray

State of Utah
DEPARTMENT OF HEALTH
OFFICE OF ADMINISTRATION

Norman H. Bangerter
Governor
Suzanne Dandoy, M.D., M.P.H.
Executive Director
Sheldon B. Zitman
Director

Bureau of Vital Records and Health Statistics
288 North 1460 West
P.O. Box 16700
Salt Lake City, Utah 84116-0700
(801) 538-6105

January 10, 1991

D'Wayne Gray
Chief Benefits Director
Dept. of Veteran Affairs
Washington, D.C. 20420

Dear Mr. Gray:

I have reviewed your letter regarding a computer matching agreement that the Department of Veteran's Affairs is currently negotiating with the Social Security Administration to secure death information, including death certificates, that SSA receives from state governments.

This is to advise you that the state of Utah does not authorize the SSA to provide identifying death certificate information to other federal agencies, including the Department of Veteran's Affairs. Utah death certificate information is confidential and can only be authorized for release by this office. The SSA has no authority to provide death certificate information to the VA or any other federal agency. It will be necessary for the VA to negotiate an agreement with this office to obtain the death certificate information.

I will be happy to meet with you or your representative to negotiate such an agreement. I would suggest as an alternative, that you meet with the officers of the Association for Vital Records and Health Statistics and negotiate an agreement through that organization, which would then be recommended to its membership.

If I can be of further assistance, please let me know.

Sincerely,

John E Brockert

John E. Brockert, Director
Bureau of Vital Records
and Health Statistics
(801) 538-6186

cc: Frederick L. King
President AVRHS

State of Utah
DEPARTMENT OF HEALTH
OFFICE OF ADMINISTRATION

Bureau of Vital Records and Health Statistics
288 North 1460 West
P.O. Box 16700
Salt Lake City, Utah 84116-0700
(801) 538-6186

January 11, 1991

Robert Hall
Office of Regional Operations
Social Security Administration
P.O. Box 7696
Baltimore, Maryland 21207

Hello Bob:

Best wishes for the new year.

For your information, I am enclosing a copy of my letter to the Department of Veterans Affairs. I assume you are aware of the letter that was sent out by Mr. Gray in late November of 1990. If not, I am enclosing a copy of the letter he sent to George VanAmburg. I also received a similar letter as did, I assume, every state registrar in the U.S.

I don't imagine that you or other people in the SSA are encouraging the Department of Veterans Affairs to negotiate the agreement that Mr. Gray is proposing. There may be pressure from the GAO to facilitate such an agreement. If that happens, I want you to be aware that we will cancel our agreement with SSA.

I would appreciate your confirmation that SSA understands that no one is to obtain access to the death certificate information from Utah without approval from this office. Your cooperation and assistance will be appreciated.

Sincerely,

John E. Brockert, Director
Bureau of Vital Records
and Health Statistics
(801) 538-6186

Enclosure